

Congress of the United States

Washington, DC 20515

May 10, 2023

The Honorable Gina Raimondo
Secretary
Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230

The Honorable Katherine Tai
Ambassador
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, D.C. 20508

Dear Secretary Raimondo and Ambassador Tai,

As the Chairman and the Vice Chairman of the Congressional Steel Caucus, which includes over 100 Members of Congress from steel producing communities, we write today to request that the Department of Commerce and U.S. Trade Representative take action to address the surge of Mexican steel imports that are in violation of the U.S. and Mexican 2019 Joint Statement on Section 232 Duties on Steel and Aluminum (the Agreement).

Over the past several months, members of the domestic steel industry and the United Steelworkers have brought to our attention the economic harm that this breach has caused on workers and our ability for steel to support our national economy and our national security. For example, total steel imports from Mexico have increased by approximately 72 percent in 2022, with increases across major product lines, including rebar, hot-rolled, galvanized sheet, carbon and galvanized wire, wire rod, pipe and tube, steel conduit, semi-finished, and other products. In fact, Mexican rebar imports were more than 3,000 percent greater by volume in 2022 than their 2015-2017 annual average.

Additionally, the Mexican steel industry appears to be taking advantage of its status under the U.S.-Mexico agreement to export to our nation steel that was produced in countries that remain subject to Section 232 measures. Reports and data from the U.S. Steel Import Monitoring and Analysis System reveal that significant volumes of steel which were melted and poured in countries such as Brazil, South Korea, and even Russia have entered through Mexico to the United States duty free under the Agreement.

The whole point of the Agreement was to prevent the U.S. from being a dumping ground for Mexican and global overcapacity that harms our producers, workers, and communities.

The Mexican refusal to honor the agreement has weakened the domestic industry, with production and capacity utilization down significantly this year. All of this is occurring as the American steel industry is making significant investments in new, state-of-the-art low emission steel facilities. Instead, the availability of good-paying job opportunities in our nation is being threatened.

Therefore, we urge you and the Biden administration to immediately begin consultations under the 2019 Agreement to address this surge of Mexican steel. If the Mexican government refuses to take swift action to remedy this matter, we strongly encourage the Administration to consider other mechanisms to ensure compliance.

Thank you for your serious and prompt attention to this request. We appreciate your dedication to workers and the manufacturing capabilities of our nation and stand ready to work with you to address this critical matter.

Sincerely,



Eric A. "Rick" Crawford
Chairman
Congressional Steel Caucus



Frank J. Mrvan
Vice Chairman
Congressional Steel Caucus